Transhipment container terminal at Kochi Port

4607. MS. PRAMILA BOHIDAR: Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a)whether it is a fact that Government have approved the setting up of International Transhipment container terminal at Kochi port;

(b)whether this project has been given to some foreign agency;

(c)if so, the terms of agreement with this agency;

(d)to what extent it would be more economical and fast in handling the additional traffic;

(e)whether such a port is also proposed to be set up somewhere on the East Coast to upgrade haulage capacity; and

(f) if so, the details thereof?

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU): (a) Yes, Sir.

(b) and (c) The project has been awarded to M/s Dubai Port International, UAE, Dubai (DPI) on Build, Operate and Transfer (BOT) basis. Licence Agreement has been signed between Cochin Port Trust & M/s India Gateway Terminal Private Limited, a subsidiary of DPI, for operation and management of Rajiv Gandhi Container Terminal (RGCT) and development and operation of International Container Transhipment Terminal (ICTT) on 31.1.2005. As per provisions of Agreement, the BOT operator is required to initially take over the existing Rajiv Gandhi Container Terminal (RGCT) on Wellingdon Island, alongwith all the equipments, for operation till the ICTT becomes operational. The necessary modernization and augmentation of the facilities at RGCT as per the traffic requirement are to be done by the Licensee. The new terminal at Vallarpadam is to be commissioned within 4 years from the date of handing over of RGCT to the BOT operator. The Port Trust is obliged to provide the rail connectivity and National Highway (NH) connectivity to the ICTT project site before the new terminal is operationalised. However, the BOT operator is obliged to commence the construction of the new terminal only on fulfilment of certain Conditions Precedent by the Port Trust like obtaining environmental clearance and special economic zone status for the project

area, commencement of construction of rail and NH connectivity to the project site. If the construction works at ICTT have not commenced by the date of expiry of six years from the Date of Commercial Operation at RGCT on account of non-fulfilment of the Conditions Precedent, either Party is entitled to terminate the Agreement, unless otherwise agreed by both the parties.

(d) A large number of containers with origin from or destination to India which are presently transshipped through foreign ports mainly at Colombo, Salah and Singapore can be handled through this Transhipment Terminal, which would result in savings to the tune of Rs, 6,000-16,000 per container to the Indian importers and exporters as the transhipment at third country ports are avoided. The savings would make Indian export more competitive and will boost the export trade which will in turn increase the demand for products and result in expansion of industries. The savings in the transhipment cost and handling costs at the transhipment port will reduce the outflow of foreign exchange currently being incurred by the Indian economy. Also the cargo carrying capacity of Indian Railways and Konkan Railways and National Highways can be economically utilized since a substantial volume of ICTT bound containers will choose land mode transportation due to convenience and economy *vis-a-vis* feedering option. With the establishment of ICTT, it is expected that the port traffic will increase from 14 to 46 million tonnes over the next 10 years period. Direct shipment also result in saving in time.

(e) and (0 The Government has given in-principle approval for the setting up of second container terminal each at Chennai & Tuticorin ports. Ennore Port has also planned to set up a new container terminal.

Construction of Super Highway

4608. DR. MAM. RAMASWAMY: Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) the total length of Super Highway constructed so far in the country, State-wise:

(b) whether it is a fact that the Super Highway which was to be completed by December, 2004, has not yet been completed and is running way behind the schedule;